

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

ROMAN MICHAEL BENSON
NMLS No. 165728,

Enforcement Case No. 13-11852

Applicant.

_____/

this 7th Issued and Entered,
day of January, 2014,
By Rhonda Fossitt,
Senior Deputy Director

ORDER OF DENIAL
OF MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION

I.
STATEMENT OF LAW

1. Pursuant to Executive Order 2013-1, all authority, powers, duties, functions, and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation have been transferred to the Director (Director) of the Department of Insurance and Financial Services (DIFS).
2. The Director regulates and licenses mortgage loan originators in Michigan pursuant to the Mortgage Loan Originator Licensing Act, 2009 P.A. 75, as amended, MCL 493.131 *et seq.* (the Act).
3. Section 9(1)(d) of the Act prohibits the Director from issuing a license unless the Director finds that, "[t]he applicant has demonstrated financial responsibility, character, and general fitness that commands the confidence of the community and warrants a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of this act." MCL 493.139(1)(d).
4. Section 9(1)(g) of the Act prohibits the Director from issuing a license unless the Director finds that, "[t]he applicant has met the surety bond requirement described in section 29." MCL 493.139(1)(g).

5. Section 9(1)(h) of the Act prohibits the Director from issuing a license unless the Director finds that, “[t]he applicant has a sponsor in the nationwide mortgage licensing system and registry that is approved by the ... [Director].” MCL 493.139(1)(h).
6. Section 33(1)(a) of the Act empowers the Director to investigate an applicant for licensing to determine compliance with the Act. MCL 493.163(1)(a).

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Applicant and his wife owned and operated a licensed mortgage broker and lender, Benson Group Financial Corporation (BGFC), from February 22, 1995, through August 15, 2000, pursuant to the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 P.A. 173 (MBLSLA), as amended MCL 445.1651 *et seq.* (MBLSLA), and the Secondary Mortgage Loan Act, 1981 P.A. 125 (SMLA), as amended, MCL 493.51 *et seq.* (SMLA).
2. On August 26, 1998, the Commissioner of the Financial Institutions Bureau issued a Consent Order and Stipulation finding that BGFC and its owners violated the MBLSLA, SMLA, Mortgage Lending Practices Act (MLPA), and Michigan Occupational Code (MOC). The Stipulation and Consent Order required BGFC and its owners to comply with the MBLSLA, SMLA, MLPA, MOC, and other laws applicable to mortgage transactions.
3. In August 2000, the Commissioner of the Office of Financial and Insurance Services issued a Consent Order and Stipulation indicating that BGFC and its owners violated the MBLSLA, SMLA and the 1998 Stipulation and Consent Order, and revoked Benson Group Financial Corporation’s mortgage broker and lender license and registration.
4. On or about March 11, 2010, Applicant submitted an application for a mortgage loan originator license through the Nationwide Mortgage Licensing System (NMLS). An investigation of Applicant found that Applicant had a total of ten civil judgments and 13 state and federal tax liens. The investigation also found that applicant failed to disclose prior regulatory activities resulting in enforcement actions and the revocation of BGFC’s license and registration, although he was required to do so when he submitted his application for a mortgage loan originator license.
5. On February 16, 2011, the Office of Financial and Insurance Regulation issued an Order of Denial for a Mortgage Loan Originator License finding the following:
 - a. Based on the numerous civil judgments entered against Applicant and a demonstrated pattern of non-payment of state and federal taxes resulting in liens, Applicant failed to demonstrate financial responsibility that commands the confidence of the community and warrants a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.
 - b. Based on the untrue answers and failure to disclose the prior activities resulting in two stipulation and consent orders and ultimately, the revocation of the license

and registration of BGFC under the MBLSLA and SMLA and the extended history of civil judgment and tax liens against him, Applicant has not demonstrated character that commands the confidence of the community and warrants a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.

- c. The issuance of a second Stipulation and Consent Order revoking licenses and registrations connected to Applicant under the MBLSLA and SMLA for violating the terms and conditions of the first Stipulation and Consent Order do not demonstrate the general fitness that commands the confidence of the community and warrants a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.
6. On or about August 30, 2013, Applicant filed an application for a mortgage loan originator license. Applicant disclosed in his application the February 16, 2011 Order of Denial for a Mortgage Loan Originator License, regulatory actions taken by the state of Michigan against him and BGFC, and provided evidence that he was released from nine state and federal tax liens.
7. At the time of application, First Securities Financial Services, Inc. (FSFS) sponsored Applicant. However, FSFS was removed from the application as a sponsor and, to date, Applicant has not provided DIFS with a new sponsor.
8. Based on the foregoing facts, the Director finds and concludes that, pursuant to Section 9(1)(d) of the Act, Applicant is ineligible for licensure under the Act because Applicant has failed to demonstrate the requisite financial responsibility, character, and general fitness necessary to command the confidence of the community and warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of the Act.
9. Further, pursuant to Section 9(1)(h) of the Act, the Director is prohibited from issuing a mortgage loan originator license to Applicant since he does not have a sponsor in the NMLS that is approved by the Director.
10. Based on the foregoing facts, the Director finds and concludes that the Applicant has failed to meet the minimum licensing requirements of Section 9(1) of the Act, MCL 493.139(1), and is, therefore, ineligible for licensure under the Act.

III. ORDER

Based on the Statement of Law, Findings of Fact, and Conclusions of Law above, it is **ORDERED** that:

1. The application of **ROMAN MICHAEL BENSON** for licensure as a Mortgage Loan Originator under the Act shall be and hereby is **DENIED**.

2. **ROMAN MICHAEL BENSON** shall immediately cease and desist from conducting any activities that require licensure under the Act.

**DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES**



Rhonda Fossitt
Senior Deputy Director

Dated: 11/7/14

**IV.
APPEAL**

This Order of Denial is an administrative order subject to judicial review pursuant to the Michigan Constitution, MCL Const. Art. 6, § 28, and subject to the Revised Judicature Act, MCL 600.631.